



Report to: Schools Forum

Date of Meeting(s): 18th May 2023

Subject: High Needs Block Budget – Update May 2023

Report of: Colette Dutton – Director Children and Families

Contact Officer: Mark Rotheram Strategic Finance Manager
Anthony Meehan Group Finance Manager

Summary: To update Schools Forum on changes made to the High Needs budget since approval in January 2023.

Recommendation(s): To note the information regarding an in-year adjustment to the High Needs budget.

Implications:

*What are the **financial** implications?* Contained within the report

*What are the **staffing** implications?* N/A

Risks: N/A

Please list any appendices:-

N/A

1. Introduction

- 1.1 In January 2023 the High Needs budget for financial year 2023/24 was presented to Schools Forum for approval. Since initial approval additional cost pressures have been identified resulting in a need to make an adjustment to the original budget set. This reports outlines details of the adjustment and the reasons why this is required.

2. High Needs Budget Adjustment

- 2.1 When the original budget was set in January 2023 a contribution to the High Needs deficit of £550,000 was included. At this time the budgets set were felt to be realistic but challenging.
- 2.2 The timelines for budget approval, to meet internal deadlines, do not align with timescales for confirming special school places. The initial budget included an estimate of the number of special school places required at that time. However, following initial budget approval, year 6/7 transitions and reception intakes have been confirmed and this has resulted in a need to increase the number of commissioned special school places.
- 2.3 SEND colleagues have worked closely with our LA maintained special schools to establish the required places, in order to mitigate the financial risks associated with the use of more costly independent provision. Since the initial budget was approved, maintained special school places for September 2023 have increased by 47 (970 originally budgeted, 1017 now confirmed).
- 2.4 In addition to the above, the bandings of some special schools have also been reviewed and amended to reflect changing cohorts and an increase in ASC pupils.
- 2.5 The cumulative financial impact of the above changes is approx. **£625,000** (after budgeted contingency) in 2023/24. As a result, it has been necessary to adjust the budget in order to support the additional costs. It will no longer be possible to make the £550,000 contribution to the High Needs deficit. This contribution has been reduced to £100,000 with the remaining £450,000 being used to support the additional Special School costs. This leaves a pressure of £175,000, however, this may potentially be mitigated through underspends in other areas of High Needs and the budget will be kept under review.

3. Recommendation

- 3.1 To note the financial pressures and the adjustment made to the original budget.